

HOUSE BILL REPORT

HB 2518

As Reported by House Committee On:
Early Learning & Human Services
Appropriations

Title: An act relating to reducing intergenerational poverty.

Brief Description: Promoting the reduction of intergenerational poverty.

Sponsors: Representatives Sawyer, Walsh, Kagi, Kilduff, Zeiger, Reykdal, Frame, McBride, Ormsby, Walkinshaw, Gregerson, Bergquist and Stanford.

Brief History:

Committee Activity:

Early Learning & Human Services: 1/27/16, 1/29/16 [DPS];
Appropriations: 2/8/16 [DPS(ELHS)].

Brief Summary of Substitute Bill

- Establishes the Intergenerational Poverty Reduction Commission (Commission) to develop two-generation strategies to reduce intergenerational poverty and welfare dependence in Washington, and establishes the Intergenerational Poverty Advisory Committee to advise the Commission in its duties.
- Requires the Commission to provide an annual report to the Governor, the Legislature, and the Legislative-Executive WorkFirst Oversight Task Force that includes recommendations on how the state should act to address issues relating to breaking the cycle of poverty and ending welfare dependency.
- Requires the Department of Social and Health Services to establish and maintain a system to gather information on intergenerational poverty and collaborate with the Commission in developing the annual report.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Kagi, Chair; Senn, Vice Chair; Walsh, Ranking Minority Member; Hawkins, Kilduff, Ortiz-Self, Sawyer and Walkinshaw.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Minority Report: Do not pass. Signed by 3 members: Representatives Dent, Assistant Ranking Minority Member; McCaslin and Scott.

Staff: Ashley Paintner (786-7120).

Background:

The Department of Social and Health Services (Department) reports that nearly one out of every four Washington residents turns to the Economic Services Administration (ESA) for assistance with cash, food, child support, child care, disability determination, transition to employment, and other services. The ESA's core services include: poverty reduction and self-sufficiency, child support enforcement and financial recovery, and disability determination. The ESA is tasked with helping low-income people meet their basic needs and achieve economic independence through: cash grants, food, and medical assistance; employment-focused services; and subsidized child care. Major programs include: Temporary Assistance for Needy Families and WorkFirst (Washington's Welfare to Work program); Basic Food (formerly the Food Stamp Program); Aged, Blind, or Disabled; Pregnant Women's Assistance; Refugee Cash Assistance; Working Connections Child Care; and medical assistance.

Summary of Substitute Bill:

Intergenerational Poverty Data System.

The Department is required to establish and maintain a system to gather information on intergenerational poverty. The system will be used to:

- identify groups that have a high risk of experiencing poverty;
- identify patterns and trends that help explain intergenerational poverty;
- assist in the study and development of effective and efficient plans to help break the cycle of poverty; and
- gather and track available local, state, and national data, including information on the impact of poverty on other areas of child and family well-being.

In implementing the intergenerational poverty data system, the Department is required to collect, integrate, and analyze available data. The Department is also tasked with protecting the privacy of individuals living in poverty by using and distributing data in compliance with state and federal laws.

Intergenerational Poverty Reduction Commission and Advisory Committee.

The Washington Intergenerational Poverty Reduction Commission (Commission) is established and comprised of members from across different state agencies. The Commission is tasked with developing two-generation strategies to reduce intergenerational poverty and welfare dependence in Washington. The Intergenerational Poverty Advisory Committee (Advisory Committee) is established to advise the Commission in its duties. The Advisory Committee must include diverse, statewide representation from public, nonprofit, and for-profit entities. Its membership must reflect regional, racial, and cultural diversity to adequately represent the needs of all children and families in the state.

In collaboration with the Department and the Advisory Committee, the Commission must provide an annual report to the Governor, the Legislature, and the Legislative-Executive WorkFirst Oversight Task Force. The report must include:

- five-year and 10-year plans that outline the work completed by the Commission and summarize future goals, benchmarks, and recommendations;
- a summary of how the Commission fulfilled its statutory duties;
- information on policies, procedures, and programs that have been implemented or modified to help break the cycle of poverty and end welfare dependency for children in the state affected by intergenerational poverty; and
- recommendations on how the state should act to address issues relating to breaking the cycle of poverty.

Substitute Bill Compared to Original Bill:

The substitute bill defines "poverty" to include persons at or below 200 percent of the federal poverty level. Additionally, it requires the Department to gather information on the impact of poverty on other areas of child and family well-being. The substitute bill requires the Commission to collaborate with the Department and the Advisory Committee in creating the required annual report, with the first report due October 15, 2017.

The substitute bill requires that the membership of the Advisory Committee include diverse, statewide representation from public, nonprofit, and for-profit entities and that the membership must reflect regional, racial, and cultural diversity to adequately represent the needs of all children and families in the state. It adds the chair of the Advisory Committee as a co-chair of the Commission. It also expands the Advisory Committee membership to allow for 15 members and requires the Advisory Committee choose its chair from among its membership.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The bill is based on legislation from Utah and would allow the State of Washington to join a growing number of states that are addressing poverty with a two-generation approach. This approach breaks down silos and requires cross-agency data sharing in order to analyze poverty from several angles. The recommendations that come out of this approach will be better informed and will allow the state to make family-based policy decisions. Low-income families and people of color should be included in an advisory and decision-making capacity, which is critical for the success of this bill.

In order to change the trajectory of a child's life, it is necessary to impact the family unit. Child well-being is inextricably linked to the financial well-being of their parents. Programs such as Head Start and the Early Childhood Education and Assistance Program have achieved great success by engaging the entire family in services. Unfortunately, many of the state and federal programs that address poverty, serve the child or the parent alone and fail to address the family as a unit.

An underlying principle in addressing crime is addressing intergenerational poverty. While many children growing up in poverty will never engage in criminal activity, their risk of criminal involvement either as a perpetrator or as a victim is much higher. For young children, poverty is a stronger predictor of being involved in future crimes; more than being a victim of abuse or neglect. Additionally, studies demonstrate that if poverty is reduced in a community, the criminal activity in that area will also decrease. This bill has the means to make Washington a leader in addressing intergenerational poverty.

(Opposed) None.

Persons Testifying: Representative Sawyer, prime sponsor; Laura Wells, Fight Crime: Invest in Kids; Andrew Hamilton, Kelso Police Department; Lori Pflugst, Washington State Budget and Policy Center; Alex Hur, Statewide Poverty Action Network; Emily Murphy, Children's Alliance; David Hlebain, Partners for Our Children; Joel Ryan, Washington State Association of Head Start and Early Childhood Education and Assistance Programs; and Josephine Tamayo Murray, Catholic Community Services of Western Washington.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Early Learning & Human Services be substituted therefor and the substitute bill do pass. Signed by 18 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Cody, Fitzgibbon, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, Pettigrew, Robinson, Sawyer, Senn, Springer, Sullivan, Tharinger and Walkinshaw.

Minority Report: Do not pass. Signed by 12 members: Representatives Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Buys, Dent, Haler, Harris, MacEwen, Magendanz, Schmick, Stokesbary, Taylor and Van Werven.

Minority Report: Without recommendation. Signed by 3 members: Representatives Wilcox, Assistant Ranking Minority Member; Condotta and Manweller.

Staff: Melissa Palmer (786-7388).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Early Learning & Human Services:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This approach to addressing intergenerational poverty is modeled after an approach used in Utah. They are doing innovative work to break the cycle of poverty. This will help Washington learn what does and does not work for children in our state. It is also about holding our state accountable and making informed policy decisions. There is not enough data on the links between child welfare and crime, but this bill will bring information like this to light.

This lays a strong foundation to improve the economic security for children in Washington. Children do better when their parents do better. When children grow up in poverty, it impacts their well-being as well as society's well-being. A lack of access to basic needs affects brain development as well as physical and mental health. A child's well-being is tied to a parent's ability to provide basic needs. When families can meet their basic needs and save for the future, they are more likely to be safe, stable, and healthy.

Catholic Community Services has been serving the poor in western Washington for 98 years. The majority of people in poverty are white; however, African Americans, Latino, and Native Americans are disproportionately represented in poverty. Community leaders know what works in their communities and need to be included in this work.

(Opposed) None.

Persons Testifying: Representative Sawyer, prime sponsor; Elena Hernandez, Washington State Budget and Policy Center; Donna Christensen, Washington State Catholic Conference; and Laurie Lippold, Partners for our Children.

Persons Signed In To Testify But Not Testifying: None.